



Building Department Business Plan

Fiscal Years: 2007 through 2008
(10/1/06 through 9/30/08)

Plan Date: December 1, 2006

Approved by:

Charles Danger

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Department Director

A handwritten signature in black ink, appearing to read "Alex Muñoz", written over a horizontal line.

Alex Muñoz, Assistant County Manager
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BUSINESS PLAN REPORT	

EXECUTIVE SUMMARY

Brief description of the department

The Building Department provides building permit services and enforces building codes and regulations governing new construction, maintenance and alteration of existing buildings and unsafe structures within the area of unincorporated Miami-Dade County.

Office of the Director and Deputy Director

- Provides overall direction to departmental operations and is responsible for directing the operations of construction inspection, plans processing, and enforcement activities to ensure compliance with the Florida Building Code (FBC) and other applicable codes.
- Serves as Building Official for Miami-Dade County

Finance & Administration

- Provides administrative support including the preparation and monitoring of the operating budget; fiscal management including revenue collection and disbursement, billing and collection, procurement; consultant contracts and general administration.

Airport

- Ensures compliance with the FBC and other applicable codes and regulations through construction inspection, plans processing, and enforcement activities of Airport properties.

Building

- Ensures compliance with the FBC and other applicable codes and regulations through construction inspection, plans processing, and enforcement activities of building installations.

Electrical

- Ensures compliance with the FBC and other applicable codes and regulations through construction inspection, plans processing, and enforcement activities of electrical installations.

Mechanical

- Ensures compliance with the FBC and other applicable codes and regulations through construction inspection, plans processing, and enforcement activities of mechanical installations.

Plumbing

- Ensures compliance with the FBC and other applicable codes and regulations through construction inspection, plans processing, and enforcement activities of plumbing installations.

Information and Permit Support

- Receives and processes construction permit applications, inspection requests and inspection results, Certificates of Occupancy (CO's), computers, communication & public information, and microfilm.

Building Enforcement, Legal Services and Special Projects

- Directs internal investigations and quality control activities, serves as advisor on legal and legislative issues, oversees technical training programs, and handles special projects.
- Directs personnel/labor management and handles affirmative action activities.
- Provides professional direction and support of enforcement activities.
- Issues and processes all FBC violations and unsafe structures regulations according to County Ordinances.

Summary of most significant programs/initiatives and activities to be achieved in the current and next fiscal year

Activities:

Continue to safeguard the public health, safety and general welfare of the citizens of Miami-Dade County through the enforcement of construction codes and regulations. For that purpose, the Department will continue to process and review permit applications, issue construction permits, inspect construction in progress, issue certificates of occupancy, re-certify 40 year old buildings and follow the enforcement proceedings in relation to expired permits, illegal construction and unsafe structures.

Programs/Initiatives:

Phased implementation of procedures intended to streamline the review and approval of permit applications (plans advancement system, graduated penalty system, expanded electronic plan review).

Strengthening of performance measures intended to improve the effectiveness and efficiency of the services provided by the Department such as the review of plans within established deadlines, the timely response to citizens' complaints, reduction of unsafe structure cases processing time, reduction of carry-over inspections, and increased voluntary code compliance.

Significant factors critical to the department's successful implementation of the Business Plan

The hurricane season has a strong impact on the Building Department's operation and its ability to achieve the performance measures established for the year. During an active hurricane season with numerous hurricane watches and warnings, inspections associated with active construction, enforcement and unsafe structure activities are delayed since inspectors' regular duties are reassigned or interrupted in preparation for the hurricane event. To a minor extent, the activities of the overall department are affected as well. The landfall and path of hurricanes, even minor events, strongly affect the Department's overall performance. After the passing of a hurricane, the department resumes operations immediately, but the regular activities may resume only partially or may be temporarily interrupted, to allow for assessment of structures damaged by the hurricane. The number of unsafe structure cases, and the permitting and inspection demand may dramatically increase following the event. The increased demand lasts for months, sometimes for years.

Vacancies continue to negatively affect the Department's ability to achieve the performance measures, specifically the numerous inspector and plans reviewer vacant positions. The situation is aggravated by the escalating increased demand for these jobs resulting from incorporation and annexation and from increased number of private providers of permitting services.

The Florida Building Code (adopted statewide in 2002) is updated with new editions by the Florida Building Commission on a three-year cycle. However, during that period of time it is amended and supplemented to incorporate interpretations, clarifications or to update other standards that are adopted into the body of the code. These changes affect many aspects of the Department's operation for an extended period of time before and after the adoption. The Department dedicates a substantial amount of time and resources reviewing changes to determine the potential impact on the permitting process, and to train staff. Code changes

generate computer re-programming to modify the intake, plan review and inspection applications. Once a new code becomes effective, the Department must maintain the ability to continue to enforce all previous code editions that apply to active permit applications and active permits that were secured under those previous requirements. The construction industry and design professionals must also go through the learning process and update their design tools. The learning process extends months beyond the adoption date of the code. The period of adjustment to the new code is marked by an increase in the rate of plan review and inspection rejections by the Department and by an increased time frame from permit application to permit issuance.

Increasing the staff dedicated to enforcement activities, the centralization of the County's complaint intake system, the aggressive prosecution of contractors by disciplinary boards, and the collaboration of other county departments in the implementation of permit processing improvements are other important factors that are essential for the Department's successful implementation of the business plan.

DEPARTMENT PURPOSE/MISSION

Provide efficient, accountable, and responsive building permit processing and enforce regulations governing buildings and unsafe structures while responding to the building industry and protecting citizens.

Additional departmental information can be found in the Departmental Profile (Attachment 1).

STRATEGIC ALIGNMENT

The Department's efforts align with the following Miami-Dade County Strategic Plan Goals:

- Use consistent, fair and effective means to achieve code compliance
- Create a more business-friendly environment in Miami-Dade County

Department-related Strategic Plan Outcomes and departmental objectives:

- Timely identification and remediation of nuisances, including unsafe structures (NU4.2.2). (Timely identification and remediation of unsafe structures)
 - Reduce the average number of days from the date a complaint is received to the date the initial inspection is performed
 - Reduce the unsafe structures case average processing time
- Resident and business voluntary compliance with county codes (NU4-1). (Responsive permit and enforcement services)
 - Increase the percentage of expired permit cases that are closed prior to ticket issuance
 - Increase the percentage of other cases closed prior to ticket issuance
 - Reduce the average number of carryover inspections

- Review 100% of Commercial plans within deadlines established by administrative order
- Review 100% of Residential plans within deadlines established by administrative order
- Consistent interpretation and application of enforcement practices (NU4.3.1). (Consistent interpretation and application of building code enforcement practices)
 - Provide twelve (12) Building Code Workshops to the construction industry and general public
 - Decrease the percentage of plans rejected for minor alterations, repairs and additions
 - Decrease the percentage of plans rejected for other applications (not plan revisions)
- Provide a customer-friendly environment for regulated business and entities doing business with Miami-Dade County

KEY PROGRAMS AND INITIATIVES

The Department's key programs and initiatives are highlighted below and organized by balanced scorecard perspective.

Customer Perspective

- Resident and business voluntary compliance with county codes (NU4-1). The following programs and initiatives are being developed or are in progress to improve the Department's responsiveness to permit and enforcement services:
 - Being developed {
 - "Approved as noted" plan review option
 - Enhancement of web site to allow viewing of permit plans
 - Expansion of electronic plan review
 - In progress {
 - Extended hours
 - Systematic escalating late inspection and late plan notices to Supervisors and Division Directors

Financial Perspective

- Meet Budget Targets (ES8-2-1), monthly monitoring and review of revenues and expenditures.

Internal Perspective

- Timely identification and remediation of unsafe structures. Programs in progress for this perspective include the systematic escalating late activity notices that are sent to Supervisors and Division Directors, and the use of Appeal Panels alternative for residential unsafe cases.

- Consistent interpretation and application of building code enforcement practices. The following programs and initiatives are being developed or are in progress to improve the Department's enforcement services:

Being developed	{	<ul style="list-style-type: none">• Graduated penalty system for unacceptable plans• Quality control of plan review system• "Approval as noted" plan review option
In progress	{	<ul style="list-style-type: none">• Tracking of Florida Building Code (FBC) changes• Self education• Department sponsored workshops offered to design professional or continuing education as well as informational

Learning and Growth Perspective

- The Building Department provides mandatory training for supervisors and code enforcement personnel. For management staff, the Department Personnel Officer (DPO) conducts workshops at least three (3) times a year on such subjects as performance evaluation techniques, progressive discipline and conducting disciplinary investigation. The Department also provides training for inspectors, field unit supervisors, section supervisors and trade division directors in code enforcement techniques, ticket writing, legal research and preparation for ticket appeal hearings.
- The Department has developed a training program for entry-level front line clerical staff (Greeters, Permit Occupancy Representatives and Plan Processing Technicians). This program rotates staff thorough various work units within the department. This provides employees with a through understanding of the permitting process and provides an opportunity for employees to become familiar with various job responsibilities.

PERFORMANCE MEASURES AND TARGETS

For ease of reference, specific information regarding departmental objectives and performance measures including the targets for FY 2006-07 and FY 2007-08 can be found in Attachment 2 – Business Plan Report.

CRITICAL SUCCESS FACTORS

1. Uneventful hurricane season or hurricane season of minimum impact.
2. Aggressive recruitment and retention of technical staff.
3. No additional out of cycle code changes.
4. Adoption of the ordinance to rescind the sunset provision of Ordinance No. 05-120 (Unsafe Structures Appeal Panels)
5. The collaboration of other County departments in the implementation of improvements, specifically the understanding and commitment from Enterprise Technology Services Department (ETSD) and Department of Procurement Management (DPM) are crucial to implement successfully the procedures intended to streamline the permit process.
6. Increasing the staff dedicated to enforcement activities.

7. No extraordinary annexation/incorporation.
8. No extraordinary increase in the private provider permitting service.
9. The centralizations of the County's system to process complaints.
10. The aggressive prosecution of contractors by disciplinary boards.
11. Successful transition to new demolition contract administered by the Office of Capital Improvements.

3 to 5 YEAR OUTLOOK

- For the past ten fiscal years the Department has issued an average of 100,500 permits per year. During FY 2005-06 the Department issued 117,000 permits. Even though this represented an increase of 16.4% over the ten-year annual average, it is estimated that permit activity through FY 2010-11 will decline to a yearly average of 97,600 permits. The surge in permit activity experienced during FY 2005-06 was the result of the widespread roofing damage caused by the landfall and path of Hurricane Wilma through Miami-Dade County in October of 2005. Roofing permit activity alone increased by 240%, but it is expected to return to normal levels during the second half of FY 2006-07. This extraordinary increase was extracted in determining the Department's 5-year permit activity projection.

The Department's predictions, however, are based on assumptions that only take into consideration current permit trends and previous history with no information relative to prospective land development. Additionally, any changes such as new incorporation/annexations, severe weather events, or an unexpected change in the business climate could have a major impact on this forecast. To illustrate, the municipalities scheduled to assume newly incorporated/annexed area permitting services from the Department during FY 2006-07 accounted for 7.1% of the Department's permitting activity in FY 2005-06. Further incorporations/annexations materializing in the following years may drastically change these predictions.

- It is anticipated that several factors will have an impact on the unsafe structures case processing timeline in the upcoming fiscal years. Asbestos surveys are required prior to the demolition of any commercial building. DERM conducted these surveys for the department until last year. The department must now use private contractors for this work. On the other hand, the County Attorney's Office made a decision last year reversing their previous opinion that title searches are not required to identify owners and interested parties. Obtaining a title search on each property will add to case processing time. In addition, vendor's performance in providing the title searches is expected to impact case processing. Finally, as of October 1, 2006, the demolition services contract, administered by the Office of Capital Improvements, must now be utilized by the department for all demolitions; which forces the use of a pool of vendors shared by multiple departments. This may potentially result in longer processing times.
- The Department will continue to adhere to the approved operating and capital budgets, while maintaining an ample fund balance, as the best strategy to ensure sound fiscal position. The long-term revenue outlook includes a biennial review of the permit fee structure to ensure full cost recovery as allowed by State Statute.

Attachment 1
DEPARTMENTAL PROFILE

Department Description

Building Department major duties and responsibilities

- Review and process construction permit applications. Route applications to other County departments involved in the permit process.
- Perform plan review of construction documents to ensure compliance with the Florida Building Code and all other applicable codes and regulations.
- Issue building permits and maintain records of construction documents.
- Collect and distribute permit fees for all departments involved in the permitting process.
- Receive and process inspection requests.
- Perform inspection of active permits to ensure compliance with the Florida Building Code and all other applicable codes and regulations.
- Issue permanent and temporary certificates of occupancy and completion.
- Issue recertification of 40-year-old buildings and boilers.
- Receive and process complaints related to building code violations and unsafe structures.

Significant events that continue to impact the Department's purpose or mission

- Hurricane Andrew significantly increased permit activity and brought to the forefront the problem relating to permits that expire without being finalized. There are approximately 149,300 permits that are expired and lacking mandatory inspections. This total represents a 9% reduction with respect to the previous fiscal year. Even though this decrease is three times larger than previous fiscal year, it is still a small reduction. The number of expired permits continues to demand that the Department spend substantial resources to correct and prevent this type of violation.
- Under Section 8-16 of the Miami-Dade County Code, after winds of hurricane velocity are experienced and have subsided, the Building Official is required to initiate an investigation to determine if damage has occurred to buildings or other structures. As further provided for in the same code section, no building or structure, which was damaged, can be repaired without inspection and approval by the Building Official.

During the 2005 hurricane season, Miami-Dade County was affected by two hurricanes: Katrina, and Wilma. Immediately after their passage over Miami-Dade County, Building Department inspectors surveyed the unincorporated area of the County and the City of West Miami to conduct the required structural safety inspections. The damage caused by these events originated an unforeseen increase in the Department's workload. The regular unsafe structures and other enforcement activities were placed on hold until hurricane structural safety inspections were completed. Hurricane Wilma was responsible for an unexpected increase of unsafe structure cases, 30% more cases than during a non-hurricane year. Further, the demand for roofing permits increased from 14,010 permits issued during FY 2004-05 to 40,567 issued during FY 2005-06. The increased roofing permit activity affected the

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Department's ability to achieve the desired performance standards with respect to inspection carryovers, response to complaints and processing of unsafe structures cases, since the Department re-assigned staff from other units to assist with the roofing overwhelming service demand.

- Over the past years, the Department has been the subject of several Grand Jury Investigations. Recommendations from the Grand Jury have significantly impacted departmental operations, including:
 - Limiting daily inspection workloads.
 - Reorganization and restructure of the department.
 - Changes in security relating to technology and public access to inspectors/plan examiners.
 - Significant permitting process changes.
 - Increase in the type and number of mandatory inspections.
- Technology has been and will continue to be utilized to improve efficiency, make information available to the department's patrons via the Internet and eliminate routine tasks previously performed by inspectors, plans examiners and clerical staff. Departmental records are available on the Internet, as well as, the ability to receive various services such as permit inspections and appointments. This technological revolution has improved the operation, but has had cost implications for the department.
- Future incorporations and annexations could have a major impact on the Department. There are a couple of extremely important factors, which will influence the timing of the impact on the Department. The effect of an annexation is immediate versus incorporation, which has a delayed effect on activities within the Department. Under the terms of the executed master inter-local agreements, newly created municipalities are not required to establish their own building departments immediately. As such, the Department continues to provide all permitting services at the same level as prior to incorporation. Additionally, after a transition date has been established for the new building department to assume all permitting and enforcement functions, the Department continues to perform plan reviews and inspections related to building permits for applications received prior to the transition date.
- As new construction codes become effective, the Department must maintain the ability to continue to enforce all previous code editions that apply to active permit applications and active permits that were secured under those previous requirements. The overlapping period extends for years demanding from our staff the simultaneous enforcement of multiple sets of rules. For instance, the department continues to work on active permits that were secured under the 1994 edition of the South Florida Building Code (SFBC), and the 2001 edition of the Florida Building Code (FBC), while the currently adopted Code is the 2004 edition of the FBC. The Florida Building Commission has already adopted the 2006 supplement to the 2004 FBC. Both the change from the 1994 edition of the SFBC to the 2001 edition of the FBC and the change from the 2001 to the 2004 edition of the FBC represented drastic changes which had a substantial impact not only on the Department, but also on its patrons.

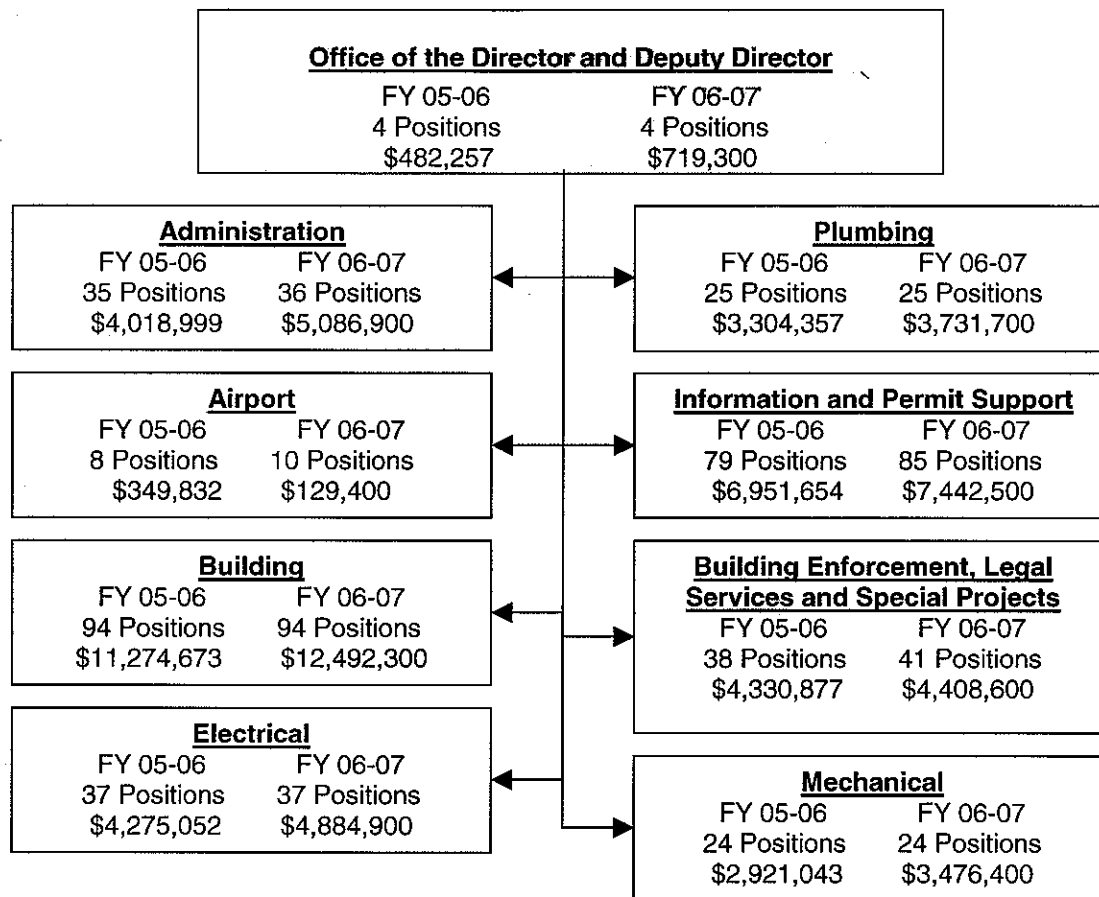
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The construction industry and design professionals must also go through the learning process and update their design tools (e.g. design software). The learning process extends months beyond the adoption date of the code. The period of adjustment to the new code is marked by an increase in the rate of plan review and inspection rejections by the Department.

- The volume of permits issued by the Department under the provisions of F.S. 553.791 (private provider) had minor impact in the plan review and inspection functions of the Building Department during FY 2005-06 (less than 1% of the overall permitting activity). However, there has been a noticeable increase in the amount of private providers who are currently registered to provide these services. The growing numbers of these companies have hindered the Department's ability to hire and retain qualified technical plan review and inspection staff.
- It is anticipated that several factors will have an impact on the unsafe structures case processing timeline in the upcoming fiscal year. Asbestos surveys are required prior to the demolition of any commercial building. DERM conducted these surveys for the department until last year. The department must now use private contractors for this work. The County Attorney's Office made a decision last year reversing their previous opinion that title searches are not required to identify owners and interested parties. Obtaining a title search on each property will add to case processing time. In addition, vendor's performance in providing the title searches is expected to impact case processing. Finally, as of October 1, 2006, the demolition services contract administered by the Office of Capital Improvements must now be utilized by the department for all demolitions.
- Miami-Dade County Office of Building Code Compliance uncovered a series of 269 contractor licenses that were illegally obtained; 3,601 permits were issued to contractors with invalid licenses for improvements to properties located in the unincorporated area of Miami-Dade County, the City of West Miami and Cutler Bay. Permits obtained under illegal licenses as required by law, must be revalidated by the Building Official. The permit has to be transferred to another licensed contractor of the owners choosing who will assume the responsibility for the work already performed. Following the transfer of the permit an inspection by the Building Department may be required to ensure the job was done properly. Additionally in some cases a certification by a licensed architect/engineer or contractor may be required before the matter can be resolved. The Building Department is committed to limiting any adverse impact on property owners. For that purpose, fees associated with the permit transfer and/or inspections by this Department are being waived. As a result, \$244,718 (as of 11/13/06) in unexpected costs (includes mailing of notices, staff time, waived fees and inspection costs) and a total of 1,713 cases have been closed, so far. However, this issue will continue to impact the Department's performance and revenues during the next fiscal year as the Department continues working with affected property owners to resolve these permitting issues.

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Table of Organization



Financial Summary

(Dollars in Thousands)	Actual FY 04-05	Actual FY 05-06	Budget FY 06-07
Revenue Summary			
Building Administrative Fees	399	397	581
Carryover	9,272	14,583	8,522
Interagency Transfers	121	147	0
Interest Income	202	525	200
Permitting Trades Fees	34,884	36,193	30,354
Transfer from Capital Outlay Reserve	1,200	1,150	1,150
Unsafe Structure Collections	1,555	2,089	1,565
Total Revenues	47,633	55,084	42,372
Operating Expenditures Summary			
Salary	20,152	20,982	23,266
Fringe Benefits	5,547	6,218	6,897
Other Operating	9,756	10,233	8,975
Capital	185	234	424
Total Operating Expenditures	35,640	37,667	39,562
Non-Operating Expenditures Summary			
Reserve	0	242	2,810
Total Non-Operating Expenditures	0	242	2,810

(Dollars in Thousands)	Total Funding		Total Positions	
	Actual FY 05-06	Budget FY 06-07	Actual FY 05-06	Budget FY 06-07
Expenditure By Program				
Strategic Area: Neighborhood and Unincorporated Area Municipal Services				
Administration	5,381	6,493	42	44
Information and Permit Support	6,952	7,534	79	85
Permitting	22,125	22,142	188	190
Unsafe Structures	3,451	3,393	35	37
Total Operating Expenditures	37,909	39,562	344	356

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Capital Budget Summary

(Dollars in Thousands)	PRIOR	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FUTURE	TOTAL
Revenue									
Capital Outlay Reserve	0	1,150	0	0	0	0	0	0	1,150
Total:	0	1,150	0	0	0	0	0	0	1,150
Expenditures									
Strategic Area: Neighborhood And Unincorporated Area Municipal Services									
Nuisance Control	0	1,150	0	0	0	0	0	0	1,150
Total:	0	1,150	0	0	0	0	0	0	1,150

Current Business Environment

1. Customers Served

The majority of the Building Department customers related to permitting services are contractors, design professionals and/or plan expeditors. Less than 1% of the customers utilizing permit services are owner builders. However, with regard to enforcement activity, the proportion of cases against property owners is much larger.

2. Anticipated Code Changes and Impact of those Changes

On December 8, 2006, the 2006 supplement to the 2004 edition of the Florida Building Code and the Florida Residential Code will become effective.

The code change started to affect the Department months ahead of implementation. Time and resources were dedicated to review the changes and determine the impact on the permitting process and to train both technical and permit support staff. The Department is currently working on the computer re-programming to adjust to this change while maintaining the ability to continue to enforce all previous code editions that apply to active permit applications and active permits that were secured under those previous requirements. The overlapping period of different code additions extends for years, demanding from our staff the simultaneous enforcement of multiple sets of rules.

The construction industry and design professionals must also go through the learning process of these new sets of rules and must update their design tools (e.g. design software). The learning process usually extends months beyond the adoption date of the new requirements. The period of adjustment is marked by an increase in the rate of plan review and inspection rejections.

3. Geographical Areas Served

The Department currently provides service to the Unincorporated Municipal Service Area (UMSA) in Miami-Dade County and the City of West Miami. Additionally, as a result of recently incorporated municipalities or annexed land, the Department continues to issue subsidiary permits in connection with active permits that were issued prior to the date of assumption of service, and will continue to perform inspections for all active permits until completion.

4. List of Competitors

A) Permitting Services by Private Providers

Prior to March 1, 2002, the Department relied only upon its own staff for the issuance of building permits. With the adoption of the Florida Building Code on March 1, 2002, permits by affidavit became an available option, which provides for the issuance of permits relying upon a sworn affidavit from a registered professional. On October 1, 2002, a state law introduced permitting services by private providers, which reaffirmed the issuance of building permits based upon the performance of plan review and inspections by private licensed professionals.

The volume of permits issued by the Department using the private providers' option represents less than 1% of the overall permitting activity, resulting in no impact to the required staffing levels. However, the increase of private companies providing these services continues to hinder the Department's ability to hire and retain inspectors and plans examiners.

B) Incorporation and Annexation

To date, incorporation and annexation have had a moderate impact on the Department's revenue and staffing levels. This impact, however, has been negated by the overall growth in activity throughout the Unincorporated Municipal Services Area. Newly incorporated or annexed areas where permitting service will be assumed by FY 2006-07 represented approximately 7.1% of the Department's FY 2005-06 permitting activity. Future incorporation/annexations may result in a significant impact on the department's revenue and staffing levels.